# Labour Market Bulletin

## Nova Scotia

## June 2018

**This Labour Market Bulletin provides an analysis of Labour Force Survey results for the province of Nova Scotia, including the regions of Annapolis Valley, Cape Breton, Southern, Halifax and North Shore.**

## OVERVIEW

Following two quarters of consecutive increases, employment in the second quarter of 2018 underwent a marginal decline. The decline from the first quarter this year took place solely among part-time jobs while 700 full-time positions were added to the provincial labour market. Despite fewer jobs, both the level of unemployment and the unemployment rate were lower in the latest quarter, the result of a labour force contraction. A smaller labour force along with a larger working-age population brought about a lower rate of labour force participation in the second quarter of 2018.

**Nova Scotia Quarterly Labour Force Statistics**

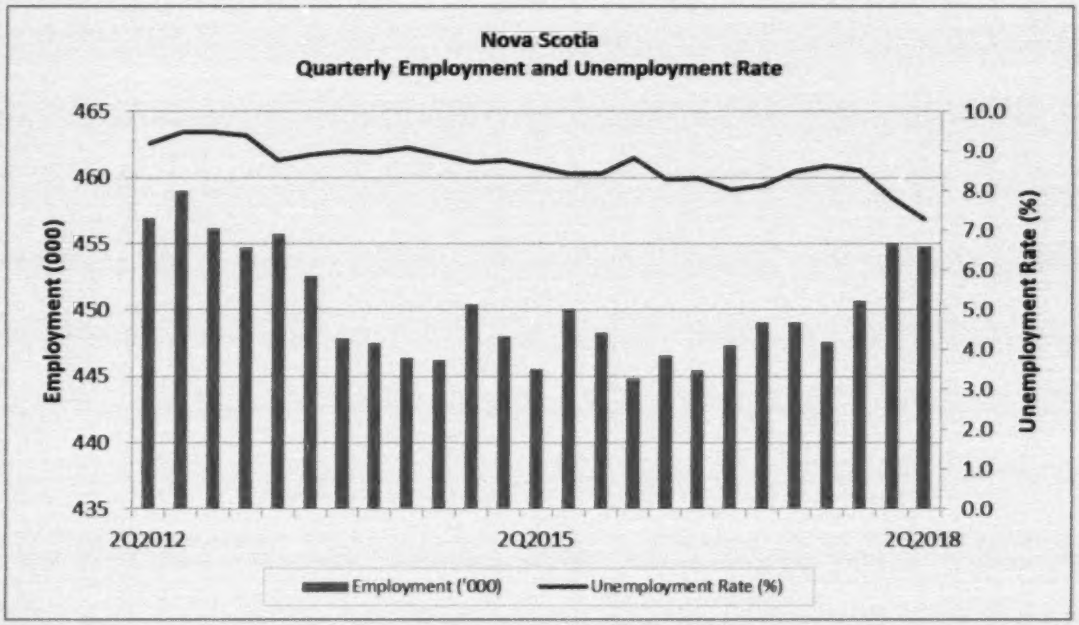
| Seasonally Adjusted Quarterly Data | 2nd Quarter 2018 | 1st Quarter 2018 | 2nd Quarter 2017 | Quarterly Variation Number | Quarterly Variation % | Yearly Variation Number | Yearly Variation % |
|---|---|---|---|---|---|---|---|
| **Population 15 + ('000)** | 797.5 | 796.2 | 791.6 | 1.3 | 0.2 | 5.9 | 0.7 |
| **Labour Force ('000)** | 490.4 | 493.6 | 490.5 | -3.2 | -0.6 | -0.1 | 0.0 |
| **Employment ('000)** | 454.7 | 454.9 | 449.0 | -0.2 | 0.0 | 5.7 | 1.3 |
| Full-Time ('000) | 374.4 | 373.7 | 365.5 | 0.7 | 0.2 | 8.9 | 2.4 |
| Part-Time ('000) | 80.3 | 81.2 | 83.6 | -0.9 | -1.1 | -3.3 | -3.9 |
| **Unemployment ('000)** | 35.7 | 38.6 | 41.4 | -2.9 | -7.5 | -5.7 | -13.8 |
| **Unemployment Rate (%)** | 7.3 | 7.8 | 8.5 | -0.5 | - | -1.2 | - |
| **Participation Rate (%)** | 61.5 | 62.0 | 62.0 | -0.5 | - | -0.5 | - |
| **Employment Rate (%)** | 57.0 | 57.1 | 56.7 | -0.1 | - | 0.3 | - |

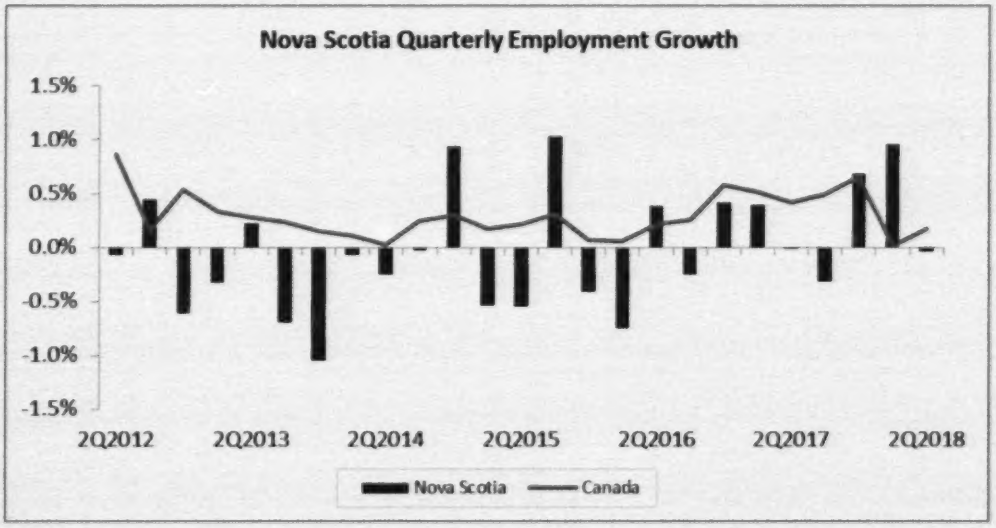
*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – Table 14-10-0287*

On a year-over-year basis, the second quarter of 2018 displays a more encouraging outlook for the provincial labour market. Employment is up by 5,700 this year with almost 9,000 more persons working in full-time positions. The employment gain is responsible for a record low quarterly unemployment rate of 7.3% which compares to 8.5% in the same quarter a year ago. The employment expansion over the last year reflects strong gains in the fourth quarter of 2017 (+3,100) and the first quarter of 2018 (+4,300).

The working-age population has expanded by 5,900 over the last year but this has not added to unemployment. The level of unemployment in Nova Scotia actually decreased by 5,700, equaling the number of new jobs created since the second quarter of last year.




The number of workers employed in Nova Scotia's public sector declined by 5,000 or 4.3% since the second quarter of 2017. By contrast, private sector employment rose by 8,100 or 2.9%. The private sector comprised 72% of the province's total employment base in the second quarter of 2018 with the remainder employed by public institutions.

The youth cohort (persons aged 15-to-24 years) comprise approximately 13% of employed persons in Nova Scotia. Youth employment decreased by 400 in the second quarter of 2018 compared to the same period a year

ago and the the unemployment rate for youths was 16.2%. Males in this age category typically have a higher unemployment rate than females. In the second quarter of 2018, the unemployment rate for male youths was 19.2% which compares to 13.0% for females. Full-time employment increased for both males and females in this age group while jobs losses were concentrated in part-time positions (distributed equally among men and women).

The prime working-age population (persons aged 25-to-54 years) accounted for three quarters (75%) of the job gains over the last year. In this age group, employment rose solely among the male population while female employment remained unchanged. This being said, prime working-age females have lower unemployment rates than males: 3.7% in the most recent quarter versus 7.4% for males. The overall unemployment rate for the prime working-age population was 5.6% in the second quarter of 2018.

Older workers (persons aged 55 years and older) accounted for the remaininder of the job gains year-over-year. Males in this age group experienced an increase in employment, while the number of female older workers declined (by 3.0%). Unemployment rates among older workers were slightly higher than the prime working-age group (at 6.3% versus 5.6%, respectively in the second quarter of 2018). Male older workers have a higher unemployment rate at 7.8% which compares to 4.5% for women.

**Nova Scotia Quarterly Unemployment Rates, by Gender and Age**

| Seasonally Adjusted Data | 2nd Quarter 2018 (%) | 1st Quarter 2018 (%) | 2nd Quarter 2017 (%) | Quarterly Variation (% points) | Yearly Variation (% points) |
|---|---|---|---|---|---|
| **Total** | 7.3 | 7.8 | 8.5 | -0.6 | -1.2 |
| **25 years and over** | 5.8 | 6.2 | 7.1 | -0.4 | -1.3 |
| Men - 25 years and over | 7.6 | 7.3 | 9.0 | 0.2 | -1.4 |
| Women - 25 years and over | 3.9 | 5.0 | 5.1 | -1.1 | -1.2 |
| **15 to 24 years** | 16.2 | 17.6 | 16.6 | -1.5 | -0.5 |
| Men - 15 to 24 years | 19.2 | 20.6 | 19.0 | -1.4 | 0.2 |
| Women - 15 to 24 years | 13.0 | 14.8 | 14.1 | -1.8 | -1.1 |

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – Table 14-10-0287*

In the second quarter (Q2) of 2018, the total population aged 15+ in the Atlantic Provinces was around 2 million. The Indigenous population living off-reserve accounted for 3.5% of that, or 69,600 people. Employment among Indigenous people in the Atlantic Provinces was 40,600, representing an increase of 3,000 (+8.0%) from a year earlier (Q2 2017). The increase was primarily driven by full-time positions (+3,300 or +10.7%). This was partially offset by a decrease in part-time positions over the same time period (-400 or -5.9%).

The unemployment rate among the Indigenous population was 13.7% in Q2 2018, representing an increase of +1.7 percentage points (pp) from the previous year. For the non-Indigenous population, the unemployment rate was 8.9% (-0.7pp). Between Q2 2017 and Q2 2018, the participation rate of Indigenous people increased to 67.6% (+4.6pp) while among non-Indigenous population, it was 61.7% (-0.3pp). The employment rate of Indigenous people increased year-over-year to 58.3% (+2.8pp); for the non-Indigenous population, it remained unchanged at 56.2% (+0.2pp).

**Atlantic - Labour Market Indicators for Indigenous People**

| 3-month moving averages Seasonally unadjusted data | Indigenous | | Yearly variation (Indigenous) | | Non-Indigenous | | Yearly variation (non-Indigenous) | |
|---|---|---|---|---|---|---|---|---|
| | Q2 2018 | Q2 2017 | number | % | Q2 2018 | Q2 2017 | number | % |
| **Population 15+ ('000)** | 69.6 | 67.9 | 1.7 | 2.5% | 1,924.5 | 1,917.5 | 7.0 | 0.4% |
| **Labour Force ('000)** | 47.1 | 42.8 | 4.3 | 10.0% | 1,187.7 | 1,188.2 | -0.5 | 0.0% |
| **Employment ('000)** | 40.6 | 37.6 | 3.0 | 8.0% | 1,081.7 | 1,074.1 | 7.6 | 0.7% |
| **Full-Time ('000)** | 34.2 | 30.9 | 3.3 | 10.7% | 910.6 | 901.8 | 8.8 | 1.0% |
| **Part-Time ('000)** | 6.4 | 6.8 | -0.4 | -5.9% | 171.1 | 172.3 | -1.2 | -0.7% |
| **Unemployment ('000)** | 6.5 | 5.1 | 1.4 | 27.5% | 106.0 | 114.1 | -8.1 | -7.1% |
| **Unemployment Rate (%)** | 13.7 | 12.0 | 1.7 | - | 8.9 | 9.6 | -0.7 | - |
| **Participation Rate (%)** | 67.6 | 63.0 | 4.6 | - | 61.7 | 62.0 | -0.3 | - |
| **Employment Rate (%)** | 58.3 | 55.5 | 2.8 | - | 56.2 | 56.0 | 0.2 | - |

***Notes:*** *The Labour Force Survey excludes those living on-reserve.*
*Estimates are based on three-month moving averages.*
*Totals may not add due to rounding.*
*Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.*
***Source:*** *Statistics Canada Labour Force Survey - ESDC custom table.*

## EMPLOYMENT BY INDUSTRY

Second quarter employment this year was up in both the goods and services-producing sectors relative to the same quarter of 2017. The **Construction** industry group saw the largest job growth in the **Goods-producing sector** with 1,200 jobs added, a 3.8% increase. The Nova Scotia government has committed $605 million to its 2018-19 Capital Plan which includes spending on roads, schools, health care facilities and technology. Currently underway are a $138 million upgrade to the Dartmouth General Hospital and a $32 million renovation at the Halifax Infirmary. Construction of a new arena is also underway at Saint Mary's University in Halifax and the Oland Centre at St. Francis Xavier University in Antigonish has been undergoing a $30 million renovation. **Agriculture** followed with an additional 800 jobs, a rise of 17% from last year.

**Manufacturing** employment was down slightly in the second quarter, year-over-year. Shipbuilding continues to drive manufacturing in the province. Irving Shipbuilding currently employs 1,800 people in Halifax and plans to hire an additional 1,000 workers by late 2020 including 450 this year. ABCO Industries Ltd. of Lunenburg will be fabricating aluminum landing craft for the Arctic patrol ships currently being manufactured by Irving. Employment in the **Forestry, fishing, mining, quarrying, oil and gas** group of industries was also down from last year. This year, the second quarter job results are the lowest for the subsector since at least the year 2000.

The **Services-producing sector** was the recipient of 4,100 additional jobs this quarter which made 2018 the highest year for second quarter employment on record. The tourism-sensitive **Accommodation and food services** subsector added 4,700 jobs over the year, a 15.5% rise in employment and the highest second quarter employment level on record. A record 2.43 million persons visited the province in 2017 according to Tourism Nova Scotia and in the first three months of 2018, visitations from outside the province exceeded last year's results for the same three months. The **Wholesale and retail trade** industry group experienced employment growth of 3,300 persons, year-over-year. **Wholesale and retail trade** is the largest employer in the province with 79,700 employees.

**Nova Scotia Quarterly Employed Labour Force, by Industry**

| Seasonally Adjusted Data ('000) | 2nd Quarter 2018 | 1st Quarter 2018 | 2nd Quarter 2017 | Quarterly Variation Number | Quarterly Variation % | Yearly Variation Number | Yearly Variation % |
|---|---|---|---|---|---|---|---|
| **Total employed, all industries** | 454.7 | 454.9 | 449.0 | -0.2 | 0.0 | 5.7 | 1.3 |
| **Goods-producing sector** | 82.7 | 84.2 | 81.1 | -1.5 | -1.8 | 1.6 | 2.0 |
| Agriculture | 5.5 | 5.2 | 4.7 | 0.2 | 4.5 | 0.7 | 15.5 |
| Forestry, fishing, mining, quarrying, oil and gas | 9.3 | 9.8 | 9.7 | -0.5 | -5.1 | -0.4 | -3.8 |
| Utilities | 4.0 | 4.1 | 3.9 | -0.1 | -1.6 | 0.1 | 3.4 |
| Construction | 32.4 | 33.8 | 31.2 | -1.4 | -4.2 | 1.2 | 3.7 |
| Manufacturing | 31.5 | 31.3 | 31.6 | 0.3 | 0.9 | 0.0 | -0.1 |
| **Services-producing sector** | 372.0 | 370.7 | 367.9 | 1.4 | 0.4 | 4.1 | 1.1 |
| Trade | 79.7 | 77.4 | 76.4 | 2.3 | 2.9 | 3.2 | 4.2 |
| Transportation and warehousing | 20.2 | 19.5 | 19.3 | 0.7 | 3.4 | 0.8 | 4.3 |
| Finance, insurance, real estate and leasing | 21.9 | 22.7 | 22.7 | -0.8 | -3.5 | -0.8 | -3.5 |
| Professional, scientific and technical services | 27.4 | 26.9 | 28.3 | 0.5 | 1.9 | -1.0 | -3.4 |
| Business, building and other support services | 17.2 | 18.0 | 18.5 | -0.9 | -4.8 | -1.4 | -7.4 |
| Educational services | 37.3 | 37.6 | 35.4 | -0.3 | -0.8 | 1.9 | 5.4 |
| Health care and social assistance | 68.4 | 69.0 | 72.4 | -0.6 | -0.9 | -4.0 | -5.5 |
| Information, culture and recreation | 17.4 | 17.6 | 15.7 | -0.2 | -1.3 | 1.7 | 10.6 |
| Accommodation and food services | 35.0 | 33.5 | 30.3 | 1.5 | 4.6 | 4.7 | 15.4 |
| Other services | 19.1 | 18.7 | 18.9 | 0.5 | 2.5 | 0.2 | 1.2 |
| Public administration | 28.7 | 29.9 | 29.9 | -1.2 | -4.1 | -1.2 | -4.1 |

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – Table 14-10-0355*

## REGIONAL ANALYSIS

Of the five economic regions in Nova Scotia, just Southern Nova Scotia and Halifax experienced employment increases during the second quarter of 2018 on a year-over-year basis. Both regions also saw expansions in their respective labour force. Cape Breton was the only economic region to experience higher unemployment (and unemployment rate).

Employment in the **Cape Breton** region in the second quarter of 2018 was down compared to the same quarter of 2017. The number of full-time jobs has diminished sharply over the past year and an increase in part-time employment slightly softened the overall impact. The labour force has continued to decline which added to the level of unemployment. The unemployment rate in Cape Breton stood at 13.5% in the second quarter of this year, up from 13.0% in the second quarter of 2017. Employment levels were lower in the both the region's goods and services sectors.

The **Forestry, fishing, mining, quarrying, oil and gas** group of industries suffered the greatest number of job losses in the **Goods-producing sector.** Employment also declined in **Construction**, but by a lessor extent. **Service-sector** employment was down year-over-year but by fewer jobs relative to the goods sector. **Health care and social assistance** accounted for the largest employment decline followed by the other public-sector industry groups of **Educational services** and **Public Administration**.

The **North Shore** region of Nova Scotia saw an overall decline in employment in the second quarter of 2018 relative to the same quarter of 2017. Almost all (90%) of the job losses were in part-time positions. The region's labour force also decreased, and by more than the employment decline. This slightly reduced the level of unemployment and the unemployment rate.

Within the **Goods-producing sector,** the job losses that occurred over the last year are attributed to the **Agriculture, Manufacturing** and **Construction** industry groups. Employment was also down in the **Services-producing sector**. The **Health care and social assistance** and **Public Administration** subsectors suffered the largest employment declines. Employment levels were also down in **Wholesale and retail trade** and **Professional, scientific and technical services**.

Employment in the **Annapolis Valley** dropped by over 3,000 persons between the second quarters of 2017 and 2018, and all of the job losses were in full-time positions. The employment loss did not result in a higher unemployment rate because of a large labour force decline. An increase in the number of **Construction** jobs contributed to a higher level of employment in the **Goods-producing sector**. The **Services-producing sector** accounted for the reduction in the Valley's overall employment level. Most notable was the loss of employment in the **Health care and social assistance** industry group which saw a decline of almost 4,000 jobs over the past year.

An encouraging increase in the number of full-time jobs contributed to a positive employment outcome for the **Southern** region of Nova Scotia when compared to the second quarter of 2017. The higher level of employment in the region helped to reduce unemployment which resulted in a decline in the region's unemployment rate (falling by four percentage points from 9.7% in the second quarter of 2017 to just 5.6% in the same quarter this year).

The employment gains were realized in the **Goods-producing sector** from job gains in **Construction** and **Manufacturing**. The **Services-producing sector** employment level remained stable although industry gains and losses did occur. Both **Professional, scientific and technical services** and **Accommodation and food services** added 1,100 jobs while the **Wholesale and retail trade** subsector saw an employment decline of 1,200.

**Nova Scotia Quarterly Labour Force Statistics, by Economic Region**

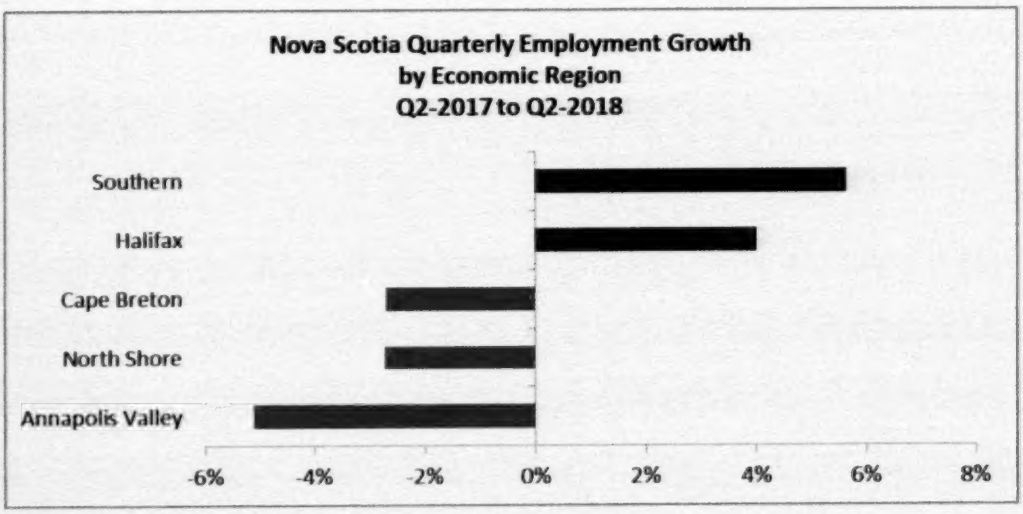
| 3-Month Moving Averages Seasonally Unadjusted Data | Employment | | | Unemployment Rate | | |
|---|---|---|---|---|---|---|
| | 2nd Quarter 2018 ('000) | 2nd Quarter 2017 ('000) | Yearly Variation (%) | 2nd Quarter 2018 (%) | 2nd Quarter 2017 (%) | Yearly Variation (% points) |
| **Nova Scotia** | 458.6 | 453.1 | 1.2 | 7.3 | 8.2 | -0.9 |
| **Economic Regions** | | | | | | |
| Cape Breton | 46.9 | 48.2 | -2.7 | 13.5 | 13.0 | 0.5 |
| North Shore | 67.9 | 69.8 | -2.7 | 9.0 | 9.1 | -0.1 |
| Annapolis Valley | 57.6 | 60.7 | -5.1 | 6.8 | 7.1 | -0.3 |
| Southern | 52.4 | 49.6 | 5.6 | 5.6 | 9.7 | -4.1 |
| Halifax | 233.8 | 224.8 | 4.0 | 5.9 | 6.9 | -1.0 |

*Note: Totals may not add due to rounding*

*Source: Statistics Canada Labour Force Survey – Table 14-10-0293*

In the second quarter of 2018, the number of jobs in the **Halifax** economic region rose by 9,000 compared to the same quarter in 2017. The gains included more than 11,000 full-time jobs but was partially offset by fewer part-time jobs which softened the overall impact on the region's labour market. Despite a labour force increase, the employment increase contributed to a lower level of unemployment. This also resulted in a lower unemployment rate of 5.9%, down from 6.9% in the second quarter of last year.

There was a slight employment decline in the **Goods-producing sector** in Halifax, mostly due to fewer jobs in **Manufacturing** and to a lesser degree in **Construction.** The **Services-producing sector** accounted for the overall employment increase with each of **Wholesale and retail trade, Information, culture and recreation,** and **Accommodation and food services** seeing a healthy second-quarter employment gain of over 3,000 jobs.




***Note:*** *In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

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